

# MEMO

**DATE:** October 4, 2007  
**TO:** Administration Committee  
**FROM:** Wayne Moore, Chief Financial Officer, (213) 236-1804, moore@scag.ca.gov  
**SUBJECT:** CFO Monthly Report for August 2007

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## Accounting:

The Accounting Department completed FY07 CPG billings by invoicing Caltrans \$4,772,275 for June, 2007. That brought the FY07 total to \$24,123,888, a record. The highest annual billing had been \$20,386,436 in FY03.

The various FY07 billed grant amounts are shown below:

Metropolitan Planning (PL/FHWA)	\$21,179,296
FTA Section 5303	1,676,358
FTA Section 5313 (b)	409,637
State Planning & Research (Partnership)	124,412
Blueprint Planning Study	734,185
Total Consolidated Grant	\$24,123,888

Accounting also submitted the July 2007 invoice, for \$1,308,654 to Caltrans. Vasquez & Co., LLP initiated the FY07 Annual Audit on September 21, 2007. They are also scheduled to meet with the Audit Committee on October 11, 2007.

The data presented on the attached table should be understood in the context of the fiscal year calendar. The first few months of each fiscal year are the times that project initiation procedures commence. These workflows can be uneven resulting in expenditures and commitments that will not coincide with the twelve equal monthly cycles of the accounting system.

For example, the agency-wide combined total of expenditures and encumbrances through August 31, 2007, has left 67% of the budget uncommitted even though 10 months, or 83% of the year remain. These results form the fact that some \$11 million of encumbrances have been entered into the accounting system in anticipation of expenditures later in the year. As would be expected, these encumbrances relate primarily to consultant and professional services.

Year to date Expenditures of \$3,017,178 represent 7.1% of the budget, meaning that 92.9% is unspent. Again, this is due to internal work processes at this time of year still being behind the calendar schedule. Project management tools are currently under development to provide real-time project status data.

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## **Business Operations:**

The Business Operations Division is in the process of tagging furniture and equipment for inventory management purposes and to establish a future replacement schedule. SCAG will inventory all equipment and furniture at Headquarters and the Riverside Office.

Business Operations is procuring new furniture for the following locations:

- 11<sup>th</sup> floor conference rooms (2) and the "Quiet Room";
- 11<sup>th</sup> & 12<sup>th</sup> floor lunch rooms;
- Riverside Office lobby.

Finally, a space planner is being contracted to design the build out of office space on the 11th Floor for the Information Services Department Director.

## **Budget and Grants**

Budget and Grants (B & G) completed validation of the FY 07-08 OWP, Indirect (IC) and General Fund (GF) budgets within SCAG's financial information system, enabling all business transactions for the fiscal year.

B &G initiated a formal OWP amendment request which included outreach to the sub-regions and SCAG project managers. The amendment review process will evaluate the status of the current projects in the OWP, evaluate the program schedule status and consider additions, deletions or deferments to the OWP as appropriate.

The new Comprehensive Budget and Development System (CBDS) entered the beta testing phase and will be operational in late October. During this period the B&G team will complete the test environment, complete the CBDS Operational manuals and prepare for roll-out. Additionally, the B&G team will open the FY08-09 budget cycle with a workshop with the Administration Committee establishing the regional priorities and outcomes for the upcoming fiscal year.

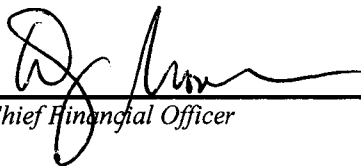
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## Contracts:

During the month of August 2007, the Contracts Division awarded 5 contracts, issued 3 contract amendments, and issued 10 Requests for Proposals (RFPs). Staff has concluded its preliminary research into establishing a Task Order contracting process (to expedite issuance of recurring contracts), and have begun drafting a new contracting process for review by Legal and Caltrans District 7.

Lastly, as part of its on-going strategy to increase competition, on October 1, 2007, Contracts staff will attend the California Chapter of American Planning Associations Annual Conference to market SCAG's contracting opportunities and to register new vendors into SCAG's bid notification database.

Submitted by:

  
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*Chief Financial Officer*

# Southern California Association of Governments

Budget vs. Actual

Expenditures and Encumbrances

Two Months Ended August 31, 2007

83% of Year Remaining

	A	B	C	D	E	F	G	H	I	J	K	L
		Program	Adopted Budget	Approved Changes	Pending Changes	Forecast Budget	Expenditures	Encumbrances	Budget Balance	% Budget Remaining	July - Aug 2006 Expenditures	Program
1												
2		CPG	9,663,155	32,775		9,695,930	1,417,739		8,278,191	85%	1,047,916	CPG
3		GF	48,083	-		48,083	1,290		46,793	97%		GF
4		Other	329,838	-		329,838	15,561		314,277	95%	45,271	Other
5		Total	10,041,076	32,775	-	10,073,851	1,434,590		8,639,261	86%	1,093,187	Total
6		CPG	10,990,028	(2,999)		10,987,029		7,581,249	3,405,780	31%	103,881	CPG
7		GF	520,000	-		520,000	17,302		502,698	97%	-	GF
8		Other	1,531,303	-		1,531,303		1,320,500	210,803	14%	9,150	Other
9		Total	13,041,331	(2,999)	-	13,038,332	17,302	8,901,749	4,119,281	32%	113,031	Total
10		CPG	3,405,583	250,000		3,655,583		2,117,553	1,538,030	42%		CPG
11		Total	3,405,583	250,000	-	3,655,583		2,117,553	1,538,030	42%	-	Total
12		CPG	11,769,782	43,909		11,813,691	1,567,124	221,748	10,024,819	85%	1,213,171	CPG
13		GF	989,071	-		989,071	39,829	88,753	860,489	87%	16,309	GF
14		Other	361,136	-		361,136	16,754		344,382	95%	48,685	Other
15		Total	13,119,989	43,909	-	13,163,898	1,623,707	310,501	11,229,690	85%	1,278,165	Total
16		CPG	3,598,257	(25,206)		3,573,051			3,573,051	100%		CPG
17		Other	342,079	-		342,079			342,079	100%		Other
18		Total	3,940,336	(25,206)	-	3,915,130			3,915,130	100%	-	Total
19		CPG	39,426,805	298,479		39,725,284	2,984,863	9,920,550	26,819,871	68%	2,364,968	CPG
20		GF	1,557,154			1,557,154	58,421	88,753	1,409,980	91%	16,309	GF
21		Other	2,564,356			2,564,356	32,315	1,320,500	1,211,541	47%	103,106	Other
22		Total	43,548,315	298,479	-	43,846,794	3,075,599	11,329,803	29,441,392	67%	2,484,383	Total
23												
24		OWP	41,991,603	298,479		42,290,082	3,017,178	10,937,717	28,335,187	67%	2,468,074	OWP

**SCAG  
COMPARISON OF EXPENDITURES  
TWO MONTHS ENDED AUGUST 31  
FY08 vs FY07**

